

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2004-187-W - ORDER NO. 2004-442
SEPTEMBER 24, 2004

IN RE:	Application of Utilities Services of South Carolina, Inc. for Approval of an Expansion of its Existing Water Service Area to Include Certain Portions of Lexington County, South Carolina and Approval of a Contract with Wright & Collins Development, LLC for Expansion of Service to the Proposed Sandy Oaks Subdivision.)	ORDER APPROVING EXPANSION OF SERVICE AREA AND CONTRACT
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This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Application filed by Utilities Services of South Carolina, Inc. (“USSCI”) seeking approval of an expansion to its authorized service territory and approval of a contract enabling USSCI to provide water service to the proposed Sandy Oaks Subdivision in Lexington County, South Carolina (“Proposed Service Area”). By its Application, USSCI seeks an extension of its authorized water service area to include certain additional portions of Lexington County, South Carolina. Additionally, USSCI seeks to provide water service to the proposed Sandy Oaks Subdivision in accordance with a contract between USSCI and Wright & Collins, LLC (“Developer”). On the condition that no intervention is filed, USSCI further requests that its Application be given expedited review or that the hearing on this matter be waived. USSCI’s Application was filed pursuant to 26 S.C. Code Ann. Regs. 103-704 and 103-743 (Supp. 2003).

26 S.C. Code Regs. 103-704 (Supp. 2003) provides that “no existing public utility supplying water to the public ... shall hereafter sell, acquire, transfer, begin the

construction or operation of any utility system, or any extension thereof, ... without first obtaining from the Commission a certificate that the sale, transfer, or acquisition is in the public interest, or that public convenience and necessity require or will require construction or operation of any utility system, or extension.”

By letter dated July 8, 2004, the Commission’s Executive Director instructed USSCI to publish a prepared Notice of Filing in newspapers of general circulation in the area affected by the Application. The purpose of the Notice of Filing was to provide notice of the Application to any interested parties and to advise interested parties of the manner and time in which to file pleadings to participate in the docket. USSCI filed an Affidavit of Publication as proof that it had complied with the instructions of the Executive Director. No Petitions to Intervene, letters of protest, or comments were received by the Commission with regard to the instant Application. Although 26 S.C. Code Regs. 103-704 (Supp. 2003) also provides for notice and due hearing, 26 S.C. Code Regs. 103-501(3) (1976) provides that “in any case where compliance with any of these rules and regulations introduces unusual difficulty, such rules or regulations may be waived by the Commission upon a finding by the Commission that such waiver is in the public interest.” Where extensions to service territory have been sought by a utility due to a potential customer or customers seeking the service from the utility, this Commission notes that it has previously waived notice and hearing on such extensions as part of the public interest. Since the Developer desires to have its water service provided by USSCI to the Proposed Service Area as provided in the Agreement, we grant to USSCI a waiver of hearing and will therefore proceed to dispose of the matter summarily.

In seeking an extension of its service territory to include an additional portion of Lexington County, South Carolina and to enable USSCI to serve the Sandy Oaks Subdivision pursuant to a contract between USSCI and the Developer, USSCI advises the Commission that as a public utility USSCI currently operates water systems under the jurisdiction of this Commission in Lexington County, as well as certain other counties in South Carolina. According to USSCI, its corporate charter and appropriate bond are presently on file with the Commission. By Commission Order No. 2002-533, “Order Granting Transfer,” in Docket No. 2002-124-W/S, the Commission approved a schedule of rates and charges for USSCI’s water service. Order No. 2002-533 provided, “Utilities Services¹ will serve the customers of South Carolina Water and Sewer, LLC and Utilities of South Carolina, Inc., under the current and existing rate schedules, as approved by the Commission.”

The water service area, for which expansion is sought, according to USSCI, is located in Lexington County and is the subject of an agreement for water service (“Agreement”) between USSCI and the Developer, entered into May 28, 2004. Attached to USSCI’s Application, as Exhibit A, is a copy of the Agreement. USSCI also attaches, as Exhibit B to its Application, a description and precise location of the Proposed Service Area.

USSCI states that its Glenn Village System will serve the Proposed Service Area. The Agreement provides, *inter alia*, that the Developer will construct all the necessary water facilities required to connect the Proposed Service Area to USSCI’s Glenn Village

¹ In Order No. 2002-533, Utilities Services refers to Utilities Services of South Carolina, Inc., as opposed to the use of USSCI in the present order for reference to Utilities Services of South Carolina, Inc.

System and will acquire all of the necessary easements and rights-of-ways. The provision for conveyance of the water facilities and easements/right-of-ways to USSCI from the Developer is provided for in the Agreement also.

Presently, according to USSCI, the Proposed Service Area is not served by a public water utility subject to this Commission's jurisdiction. Furthermore, no governmental entity has water service facilities in the Proposed Service Area.

USSCI addresses the terms, conditions, rates and charges by which it will provide water service in the Proposed Service Area. USSCI requests approval to provide water service in the Proposed Service Area pursuant to the terms, conditions, rates and charges set forth in its existing rate schedule (to the extent modified same may be modified by this Commission in any rate adjustment proceeding) and in accordance with the terms of the Agreement.

Lastly, USSCI states its belief that approval of the Application and Agreement will serve the public convenience and necessity.

Upon review of USSCI's Application and the exhibits attached thereto, we find that the public convenience and necessity requires the requested extension.

IT IS THEREFORE ORDERED THAT:

1. The request of Utilities Services of South Carolina, Inc. to waive hearing of its request for an expansion of its existing service area to include a certain portion of Lexington County, South Carolina and approval of an agreement with Wright & Collins Development, LLC is granted upon the finding of this Commission that the requested waiver is in the public interest.

2. The Application of Utilities Services of South Carolina, Inc. for approval of an expansion of its existing service area to include a certain portion of Lexington County, South Carolina and approval of an agreement with Wright & Collins Development, LLC is granted upon the finding of this Commission that the public convenience and necessity requires the expansion of Utilities Services of South Carolina, Inc.'s service area.

3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

/s/
Randy Mitchell, Chairman

ATTEST:

/s/
G. O'Neal Hamilton, Vice Chairman

(SEAL)